

Index

Tab 1 – Maps of Kansas and Oklahoma showing the service areas for Bluestem (Kansas), Chouteau (Oklahoma), Totah (Kansas and Oklahoma), Tri County (Kansas), and Sunflower (Kansas).

Tab 2 - Exparte Outline:

- Overview:
 - Density – 4 lines per square mile.
 - Basic service costs - \$120/line/month.
 - Advanced service costs – Additional \$50 to \$60/line/month.
 - Access facilities used by IXC's, CLEC's, Wireless, etc.
- Major sources of revenue:
 - Network access – 49% or \$60/line/month.
 - Universal service funds – 34% or \$40/line/month.
- Access revenues at risk due to:
 - Potential adoption of bill-and-keep; wireless traffic is not balanced in rural ILEC areas and thus bill-and-keep is inappropriate.
 - Arbitrage of access rates – inappropriate expansion of local calling area via MTA and Virtual NPA-NXX.
 - Potential misapplication of ESP/ISP exemption (VOIP) which would allow arbitrage of access rates.
 - Application of lawfully approved access tariffs must be enforced.
- Universal service revenues at risk:
 - Insufficient public interest test for additional ETC's.
 - Asymmetric ETC criteria for Wireless ETC's.
- Broadband:
 - Rural ILEC's at the forefront of providing affordable service (approx. \$30/month).
 - Affordable rates only possible due to regulatory mechanisms (USF's and NECA pool) that support high rural costs.
 - The support mechanisms would be lost if rural broadband services were deregulated.

Tab 3 – Phone to phone VOIP traffic simply uses IP facilities as the means of transport. This traffic is still subject to originating and terminating access charges.

Tab 4 - Wireless traffic is a significant and growing portion of rural ILEC terminating traffic. There is a significant imbalance in traffic terminated. Consequently, bill-and-keep for wireless traffic is inappropriate.

Tab 5 - Western Wireless appears to be hiding and disguising its traffic to avoid paying the rural ILECs for the use of their networks. If this is the case, their ETC status should be revoked.

Tab 6 - Public interest issues that must be analyzed when considering if an additional ETC should be designated in rural LEC service areas.